

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III 1650 Arch Street

Philadelphia, Pennsylvania 19103-2029

Mr. Edward Wiener, PE City of Philadelphia Department of Public Health Air Management Services 321 University Ave., 2nd Floor Philadelphia, PA 19104

November 20, 2017

RE:

Proposed Plan Approval for Installation and Modification of Painting Operations

Dear Mr. Wiener:

Thank you for the opportunity to review and provide comments on the Air Management Services (AMS) proposed plan approval for the Philadelphia Shipyard. Inc – Plan Approval IP17-000074-Installation and modification of Painting Operations, VOC emission increase, and HAP emission increase.

We provide these comments to help ensure that the project meets all federal requirements, that the permit provides all necessary information so that it is readily accessible to the public, and that the record provides adequate support for the permit decision. We look forward to working with you in addressing all the issues raised.

If you have questions, please do not hesitate to contact me at 215-814-3422 or Mr. Paul T. Wentworth of my staff at 215-814-2183.

Sincerely yours,

Marcos Aquino

Acting Associate Director,

Office of Permits and State Programs (3AP10)

<u>Plan Approval IP17-000074- Philadelphia Shipyard. Inc.: Installation and Modification of Painting Operations, VOC Emission Increase, And HAP Emission Increase.</u>

EPA has reviewed the draft plan approval for the following project taking place at Philly Shipyard Inc., located at 2100 Kitty Hawk Avenue, Philadelphia, PA 19112:

Project: modification of Painting Operations of two indoor paint halls (P-29A and P-29B); Dry dock painting (P-31); Dry-dock Blasting operations (P-32) and Paint Hall Blasting operations (P-30A,P-30B, P-30C.

As a result of this modification, the emissions limit for hazardous air pollutants (HAP) from shipbuilding operations from the facility (excluding Building 763) will increase from 72.1 tons per year (tpy) to 121.0 tpy and the emissions limit for Volatile Organic Compounds (VOC) pollutants from shipbuilding operations from the facility (excluding Building 763) will increase from 154 tpy to 174.9 tpy.

Comments on the Statement of Basis (SOB):

- The Applicability analysis presented in the SOB is sufficiently explained and the tables include sufficient detail in order to understand AMS' justification for why this project does not trigger New Source Review (NSR) requirements.
- 2) The SOB should explain what new tighter monitoring will be used to assure that the new project does not inadvertently cause actual emission increases which would trigger NSR requirements that the SOB analysis demonstrated would not apply. EPA's concern is that the new project's VOC emissions at 24 tons are just below the NSR significance level of 25 tons of VOC.

Comments on the Draft Plan Approval

1) EPA cannot specifically conclude that this project does or does not trigger New Source Review requirements based on the estimates alone. The uncertainty lies in the ability of the existing monitoring requirements to assurance compliance with the new HAP and VOC limits. The estimates show that the VOC emissions increase is 96.3 % of the significance threshold. Because of the closeness of the estimated VOC emissions for this project to the significance threshold, the likelihood of an emissions exceedance over permitted levels similar to what happened in 2016, increases. Consequently, EPA believes that AMS should consider increasing the frequency of the monitoring. The monitoring requirements currently call for a 12-month rolling average to determine the VOC and HAP emissions to assure compliance with the two permit limits. At this juncture, EPA believes that AMS must examine the sufficiency of the existing applicable monitoring requirements and consider a daily rolling average to decrease the likelihood of any exceedance of either or both the 12 month rolling HAP limit formerly 72.1 tpy, now 121 tpy, and the 12 month rolling VOC permit limit, formerly 154 tpy now 174.9 tpy.